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7 March 1952

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MEMORANDUM FOR:

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SUBJECT

Post Mortem on NIE-35/1

ATTACHMENTS

TAB "A" Intelligence Gaps Revealed in the Preparation of

NIE-35/1

TAB "B" Evaluation of Conclusions from Original Draft to

Final Draft

### I. General Remarks

- 1. The body of this memorandum contains general, procedural, and substantive remarks concerning the preparation of NIE-35/1. These remarks are intended for limited dissemination within O/NE. Attached as TAB "A" is a list of intelligence gaps which we feel would be of value for an IAC Representatives' post mortem session. TAB "B", the evolution of the texts of certain of the estimate's conclusions, may be of interest to O/NE.
- 2. Pilgrim's Progress. The Board met for the first Staff draft on 9 February 1952. The paper was agreed to by telephone concurrence on 29 February, after a history of 3 Board meetings, 5 IAC Representatives' meetings and 1 IAC meeting. There were 6 major drafts on NIE-35/1, in addition to minor surgery performed on it.
- 3. We believe NIE-35/1 gives an accurate view of the present outlook in Indochina, and, perhaps more importantly, gives a properly balanced degree of pessimism regarding the probable developments beyond the period of the estimate.

## II. Procedural Remarks

4. The principal difficulties experienced in the preparation of the estimate were: (a) the original purpose of the estimate was distorted by events in the course of its preparation; and (b) wide divergence of view on the question of France.

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- a. The paper was prompted by reports late in December, 1951, of a possible imminent Chinese Communist invasion of Indochina. During the course of the estimate's preparation, however, the element of France's intentions toward Indochina had supplanted this original raison d'etre.
- b. There was from the start, and we believe still is, a wide disparity of view on the question of the French and Vietnamese will to resist. Among the IAC representatives and within the Board there appeared to be a divergence of opinion in this regard, some feeling NIE-35/1 too pessimistic, some too optimistic. More fruitful discussion on this point might have emerged if we had not, both at the Board and the IAC Representatives' meetings, plunged into an examination of the Discussion without first ascertaining what the breaking points were with respect to the estimate's Conclusions. The estimate also suffered because the O/NE Board and Staff did not first firmly agree upon the Conclusions and then present a united front before the IAC representatives. We feel that in this respect the 3 Board meetings were largely unproductive.
- 5. Progress on the paper was slowed by the fact that the IAC representatives discussed many of the less important issues ad nauseum, often repeating arguments resolved at earlier meetings. At the IAC meeting itself, the A-2 representative brought up a fundamental point (the time scope) which should have been raised at the IAC Representatives' meeting dealing with the Terms of Reference.

## III. Substantive Remarks

25X1X 6. Intelligence gaps (see TAB HAR).



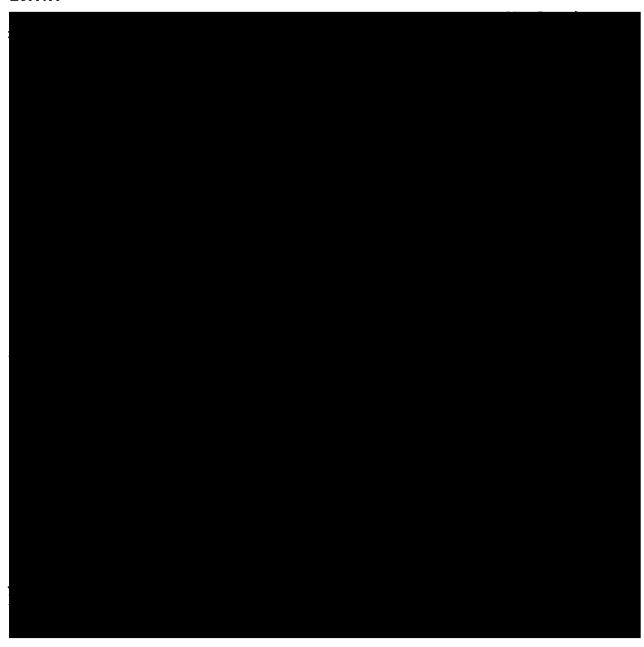
- 8. The substantive problem on which there was most argument was the issue of French ability and intentions to carry on the war in Indochina.
  - a. The OIR representatives were overly-intransigent in their stand and tended to overstate their case even where quoted evidence clearly refuted their extreme positions. Thus, these representatives went so far as refusing to acknowledge that, if France were forced to choose, it would put its position in Europe ahead of its position in Indochina.
  - b. The principal point of divergence was whether France's inability to conduct major efforts simultaneously in both Europe and Indochina was due only to its financial prediction, or whether broader causes were at work. OIR held the former view, O/NE the latter. Although the final text of the estimate carries the flavor of the O/NE view, we would have preferred a more direct statement of our view included in Conclusion 2, in place of "critical financial situation..."
  - c. We believe that O/NE erred in permitting OIR to dispose of recent defeatist statements by Schumann and LeTourneau on the grounds that these were not unusual, or were purposely planted, etc. The effects of these defeatist statements in Indochina were extremely important, regardless of the French intent behind them. We believe that O/NE also erred by eliminating, at the behest of OIR, the possibility that France, as a last resort, might negotiate directly with the Viet Minh.
- 9. We believe the paper should have given more emphasis to the fact that the crux of the Indochina problem is political and psychological rather than military, and that the "solution" in Indochina is not dependent solely on the receipt of additional outside assistance. The paper should also have placed more stress on the effect of the death of General de Lattre.

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TAB "A"

# INTELLIGENCE GAPS REVEALED IN THE PREPARATION OF NIE-35/1

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- 4. There is virtually no intelligence available to the US on developments within the Viet Minh.
  - a. What is the state of morale among the Viet Minh leadership, army, population?
  - b. What is the extent of consolidation of control over territories under Viet Minh control?
  - c. What is the present role of Ho Chih Minh? Where is he? Who is likely to be his successor?
    - d. What frictions, if any, are there with Communist China?
  - e. What is the Viet Minh manpower situation, in face of recent losses in Tonkin? What is their food situation?
- 5. The number and function of Chinese Communist "advisors" with the Viet Minh is at present largely a matter of guesswork.
- 6. Intelligence on the existence and function of Chinese "volunteers" with the Viet Minh is also virtually nil.
- 7. The capability of the Chinese Communists to support logistically an invasion of Indochina has been explored by G-2, but more work obviously is required on this problem. Information on transportation facilities in South China and within Viet Minh territory is needed.
- 8. Intelligence on Chinese Communist OB in South China and reliability of reports concerning shifting of troops to Burma border is inadequate and unreliable.
- 9. More intelligence is required on Communist Stockpiling in South China and Tonkin.
- 10. Little intelligence has been made available on the number and effectiveness of Viet Minh infiltrees in Tonkin Delta.

#### TAB "B"

# EVOLUTION IN THE TEXTS OF CERTAIN CONCLUSIONS OF NIE-35/1 FROM ORIGINAL TO FINAL DRAFT

- 1. Conclusions which treated Viet Minh and Chinese Communist capabilities and courses of action remained substantively unchanged throughout the various draft versions.
- 2. The conclusions concerning Franco-Vietnamese ability and will to resist underwent considerable substantive change through the course of the paper's development, but, strangely enough, ended up in the final draft approximately where they had begun in the first Staff draft.
  - a. The original Staff draft for Board consideration, 9 February, took a rather pessimistic view of the long-range outlook for both Franco-Vietnamese will and ability to resist:
    - \*(1) We believe that the Franco-Vietnamese forces will continue to hold substantially their present military positions in Indochina during the period of this estimate. If present political trends persist, however, we believe that there will be a slow deterioration of the over-all Franco-Vietnamese military and political position.
    - effort in Indochina but, because of the critical nature of their present economic position and because of their military commitments in Europe, they will hope to reduce their commitments in Indochina by seeking additional US financial assistance and an internationalization of the defense of Indochina. We further believe that, although the French are probably even now seriously considering a negotiated settlement with the Communists and a gradual withdrawal from Indochina, they will not actually adopt this course unless outside financial and military assistance should fall short of French requirements.
  - b. The Board considered these conclusions too pessimistic, as is reflected in the 2nd Staff draft for the Board of 13 February.
    - \*(1) Although there is evidence of a weakening of Franco-Vietnamese determination and ability to continue resistance, we

believe that the Franco-Vietnamese forces will continue to hold substantially their present military position in Indochina during the period of this estimate.

- "(2) While French sentiment for a negotiated settlement with the Communists is likely to increase, we believe that the French will continue their war effort in Indochina, but at the same time will attempt to reduce their commitments there by insisting upon additional US financial assistance and by seeking an 'internationalization' of the defense of Indochina."
- c. This version remained unchanged by the Board and was repeated verbatim in the 1st Draft for the IAC Representatives, 15 February.
- d. After considerable discussion the IAC Representatives altered the text to a still less pessimistic version, 21 February, by deleting all mention of a possible growing French sentiment for a negotiated settlement, and by changing "weakening of Franco-Vietnamese determination and ability to continue resistance" to "the present critical financial situation of France. . ."
  - "(1) We believe that the Franco-Vietnamese forces will continue to hold substantially their present military position in Indochina during the period of this estimate.
  - "(2) We believe that the French will continue their war effort in Indochina, but at the same time, while insisting upon the protection of French interests, will attempt to limit their commitments there by demanding additional US financial assistance and by seeking commitments for US-UK military support in the defense of Indochina.
  - "(3) The present critical financial situation of France is causing the French Government increasing concern over France's ability to maintain its position in Indochina and to support simultaneously its presently projected military effort in Europe. We believe that the reflections of this concern in Vietnam will give rise to misgivings regarding France's intentions toward Indochina and will accordingly have an adverse effect upon Vietnamese morale. We believe that this concern will not affect the French effort in Indochina during the period of this estimate, but may at a later date adversely influence France's will to continue resistance in Indochina."

- s. The text of the 26 February draft which went to the IAC was unchanged in substance, although Conclusion No. 1 of the previous version had been deleted, and in its place was substituted a new Conclusion No. 6.
  - "(6) The probable outlook through mid-1952 in Indochina is one of continued military stalemate. We foresee some small territorial gains by the Viet Minh, but no major victory on either side during the period of this estimate."
- f. The final version of NTE-35/1 of 29 February did not change the substance of Conclusions 1-5 of the previous draft, but altered the entire burden of the Conclusions (and we think correctly) by deleting Conclusion No. 6 of the previous draft and substituting new Conclusions Nos. 6 and 7, which gave a much more pessimistic view both of the period under review and the longer-term outlook:
  - "(6) Through mid-1952, the probable outlook in Indochina is one of gradual deterioration of the Franco-Vietnamese military position. We believe that the Viet Minh will make some territorial gains, but will not score a decisive victory during the period of this estimate.
  - "(7) The longer term outlook is for continued improvement in the combat effectiveness of the Viet Minh and an increased Viet Minh pressure against the Franco-Vietnamese defenses. Unless present trends are reversed, this growing pressure, coupled with the difficulties which France may continue to face in supporting major military efforts in both Europe and Indochina, may lead to an eventual French withdrawal from Indochina."

While this final version is an improvement over the original Staff draft of 9 February, the substance is approximately the same -- after many tortuous and devicus alterations.

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